

**AFRED Transportation Blockade Impact Monitoring Team**  
**Situation Report 15 February 2022, 1130**

**1. Current Status Summary**

- CFIA reported at 10:30 15 Feb 2022 that north and southbound lanes at Coutts are clear to the Port of Entry.
- The CBSA is waiting for notification that the Coutts POE can open for processing of commercial traffic.
- For now inspected loads will continue to be referred to Del Bonita for commercial entry until further notification is provided.
- CBSA will be sending out a Border Alert and tweets that Coutts suspension of operations will lift at 11 am.
- I'm verifying if ports will continue to operate as they have for today (letting livestock and meat move at other ports) as I am thinking some carriers are already enroute.
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**2. Updates from Justice and Solicitor General (JSG) and Transportation (Trans)**

**Justice & Solicitor General report February 13, 2022 @ 18:05 hrs**

- CBSA has been working with Canadian Food Inspection Agency and Agriculture (assuming this to be Agriculture and AgriFood Canada) towards a solution to provide all services at an alternate port and move required inspections inland. AFRED has not been engaged in these discussions.
- A decision on the best port as an interim substitute for Coutts may be made Monday, although a solution for inland agriculture inspections may not yet be solidified.

**3. Alberta Border Crossings Hours and Status**

**4. Additional Updates and Sector Risks & Impacts**

**Confidential report from CFIA**

- A Twitter post by Sask. Cattlemen indicating that CFIA is not enforcing the 36 hour load limit for livestock is not true. CFIA indicates that they are not aware of any Alberta loads at risk of going over 36 hours.
- Live Horses may cross southbound at Del Bonita and then reroute for inspection at Sweetgrass

**Food Supply Chain Impacts**

**Canadian Produce Marketing Association reports:**

- Delays of 48-72 hours are adding increased costs to southbound loads
- Shipments from CA to AB have increased to \$11,000 from \$6000 per trailer box load
- Interprovincial trucking has also been affected, with many looking at shipping empty trucks to improve speed and reduce perishability
- Increased volumes of waste and decreased quality especially for salads, peppers and squash.
- Empty load between SK to AB costing \$3200
- East to West there is a 10% surcharge increase on top of the fuel costs

## Agriculture Operational and Market Impacts

\*Only commodity groups experiencing issues related to the blockade are included here

### Live Cattle – Current Status:

#### **Alberta Cattle Feeders Association Feb 11-13**

- **“The pressure is certainly getting to a boiling point. Feedlot personnel are starting to get attacked and threatened personally. Our members are very concerned. I hope you can pass this message on to your Ministers.”**
- The Alberta Cattle Feeders have issued a statement calling on Government for Immediate Action to Open Borders
- The Cattle Feeders request veterinary inspection at Del Bonita. Coutts is closed and alternate crossings with a vet are too far away
- Transportation is doing what they can with CBSA to get vet services at Del Bonita.
- Alberta Cattle Feeders Association has put in an exemption to Transport Canada from the federal Hours of Service due to the blockade. This would eliminate the issue of drivers timing out while using alternative routes

### Live Cattle Risks and Impacts:

- Statistics Canada reports that an average of over **\$11** million worth of live cattle, crossed into the United States through the Coutts border crossing weekly in **2021**. AFRED estimates that this value is equivalent to an average of **131** loads of live cattle/week. These shipments are now at risk of being turned back, having to reroute to another port of entry, and exceeding the 10 hour limit for remaining loaded for transport.

### Cattle Markets – Current Status:

- Canfax reported that packers are reducing the amount of cattle purchased from producers, and packers are struggling to run at capacity due to logistical issues. However, the report also stated that both major packers worked this past Saturday.
- US live cattle futures prices have moved higher, suggesting cash price optimism for 2022.
- For the week of February 11, 2022, Alberta fed steer prices averaged \$159.44 per hundredweight, which is down about one per cent from two weeks ago.
- The price spread between fed cattle in Alberta and Nebraska was reported at **-\$18.11 per hundredweight. This means producers in Alberta are receiving about \$240 per head less than producers in the U.S. and that spread has widened in recent weeks.**
- **In the past, with cattle value spreads that wide, cattle and beef moved from Canada to the US market. Border restrictions may currently be hampering that movement.**
- YTD 2022 total cattle slaughter in Western Canada is running about even compared to 2021. For the week ending February 5, 2022, Western Canadian federally inspected fed cattle slaughter was 41,208 head. This was down by 4,756 head (or 10 per cent) from the week before.
- It is not uncommon to have week-to-week swings of this magnitude, it happened seventeen times in 2019, nine times from lower to higher and eight times from higher to lower.
- Slaughter data for the week ending February 12, 2022 should be available by February 17.
- The price of feeder cattle moved up this week. Compared to last week, heavier weight feeder cattle price averages were up by two to four dollars per hundredweight, while lighter weight feeder cattle were up about eight dollars per hundredweight for the week ending February 11, 2022.
- Alberta beef exports were up 19.7 per cent in terms of quantity and up 40.5 per cent in terms of value in 2021 compared to 2020.

### Beef - Current Situation:

- Cargill is planning another week of full production next week.
- Cargill reports fewer refrigerated trailers available for shipping to the US, and refrigerated cargo containers to ship to BC port are also becoming scarce.
- Drivers for the US shipments are having much longer travel and hours in the truck. Cargill notes that these additional hours and requirements for rest, mean less access to drivers for getting shipments south.

#### Beef - Risks and Impacts:

- The total value of shipments of fresh/frozen/offal beef for **2021** averaged over **\$47** million a week almost exclusively through the port of Coutts. AFRED estimates that this value indicates an average of **238** loads of beef per week. For full details, see the tables below in the background section.

#### Pork - Current Situation:

- On February 11, Olymel reported that they have incurred additional costs for layover expenses for drivers stuck at the border, extra mileage for trucks detoured to alternate crossings, rejected loads of delayed product, and additional labour costs to box and freeze returned product.
- Olymel also reports the extra expense of hiring brokers to cover shipments to the US because their usual trucks are stuck at the border

#### Feed – Current Situation:

No updates

### **5. Background**

#### **Issue/Problem:**

A blockade led by truckers but involving many other vehicles and protesters is hindering the movement of goods through Alberta's busiest US border crossing in Coutts, AB. Additional blockades are said to be planned for other roads in the province throughout the week. The food supply chain is impacted in multiple ways.

The current objectives of the AFRED Transportation Blockade Impact Monitoring Team are:

1. Situation reporting
2. Monitoring impacts to the food supply chain in Alberta
3. Monitoring agriculture operational and market impacts due to transportation issues
4. Advocating for the movement of livestock and meat through alternate US border crossings

**Time frame:** This team will remain in place until the transportation blockades are resolved and goods are flowing freely in all directions. If blockade impacts begin to blur into general Covid-19 pandemic impacts, the Food Supply Chain Working Group will take over monitoring and reporting.

*The Food Supply Chain WG will stand down while this Incident Command Structure is in operation*

#### **Historic Data and Analysis of Alberta Live Cattle and Beef Exports**

Average weekly load counts and values are shown below. This analysis was completed using Statistics Canada data based on HS codes for live cattle and beef exported to the US from Alberta. The analysis currently covers 11 years: 2011 to **2021**.

- Weekly loads are calculated by AFRED from Statistics Canada figures for number of animals and beef and are estimates only.
- The analysis estimates the weekly number of loads and associated value from annual data based on specific load weights as outlined below.
- Weekly shipment estimates are based on a full 7 day week (not 5 business days).
- The live cattle shipments are based on 40 head per load for steers/heifers/cow/bulls and feeders at 50 head per load.
- Beef shipments are based on a 53 foot reefer van weight of 45,000 lbs. (20.4 tonnes).
- The shipment weights can be changed if better information is available.

**Average Alberta Weekly Live Cattle Exports to the US**

|                                                                            | 2011        | 2012         | 2013        | 2014         | 2015         | 2016         | 2017         | 2018        | 2019         | 2020         | 2021         |
|----------------------------------------------------------------------------|-------------|--------------|-------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| <b>Steers/heifers</b>                                                      |             |              |             |              |              |              |              |             |              |              |              |
| Estimated average weekly loads                                             | 149.8       | 159.8        | 118.5       | 155.6        | 84.9         | 123.4        | 140.8        | 98.0        | 141.7        | 133.2        | 116.5        |
| Estimated average weekly value                                             | \$8,401,610 | \$10,137,899 | \$8,165,493 | \$12,736,701 | \$9,159,665  | \$11,244,188 | \$11,312,461 | \$8,408,823 | \$12,988,774 | \$12,134,277 | \$10,501,820 |
| <b>Cows/bulls</b>                                                          |             |              |             |              |              |              |              |             |              |              |              |
| Estimated average weekly loads                                             | 10.2        | 24.0         | 20.3        | 14.8         | 21.4         | 8.1          | 6.3          | 17.0        | 18.4         | 15.6         | 13.6         |
| Estimated average weekly value                                             | \$372,399   | \$1,125,929  | \$949,379   | \$832,146    | \$1,876,230  | \$524,618    | \$332,308    | \$1,011,802 | \$1,136,770  | \$980,816    | \$831,432    |
| <b>Feeders</b>                                                             |             |              |             |              |              |              |              |             |              |              |              |
| Estimated average weekly loads                                             | 0.2         | 0.1          | 0.1         | 1.4          | 0.9          | 2.2          | 1.7          | 2.9         | 1.6          | 1.4          | 0.95         |
| Estimated average weekly value                                             | \$10,353    | \$6,240      | \$6,093     | \$90,340     | \$82,692     | \$120,211    | \$69,113     | \$175,184   | \$91,461     | \$87,205     | \$58,371     |
| <b>Summary of weekly steer/heifer, cow/bull and feeders exported to US</b> |             |              |             |              |              |              |              |             |              |              |              |
| <b>Alberta Total Weekly Live Cattle Exports to the US</b>                  |             |              |             |              |              |              |              |             |              |              |              |
| Total estimated average weekly loads                                       | 160.3       | 183.9        | 138.9       | 171.7        | 107.2        | 133.7        | 148.8        | 117.9       | 161.7        | 150.3        | 131.1        |
| Total estimated average weekly value                                       | \$8,784,363 | \$11,270,068 | \$9,120,965 | \$13,659,186 | \$11,118,586 | \$11,889,017 | \$11,713,882 | \$9,595,809 | \$14,217,005 | \$13,202,299 | \$11,391,624 |

Source: Agri-Food Trade On-Line - Statistics Canada

**Average Alberta Weekly Beef Exports to the US**

|                                                                                | 2011         | 2012         | 2013         | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         |
|--------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Fresh or chilled beef</b>                                                   |              |              |              |              |              |              |              |              |              |              |              |
| Estimated average weekly loads                                                 | 150.3        | 108.6        | 114.2        | 128.8        | 139.6        | 158.6        | 160.6        | 178.8        | 195.2        | 189.8        | 211.3        |
| Estimated average weekly value                                                 | \$11,061,551 | \$9,272,051  | \$10,180,420 | \$15,709,259 | \$19,839,374 | \$20,720,499 | \$21,100,822 | \$25,539,885 | \$30,153,883 | \$32,581,123 | \$43,129,633 |
| <b>Frozen beef</b>                                                             |              |              |              |              |              |              |              |              |              |              |              |
| Estimated average weekly loads                                                 | 8.3          | 10.2         | 7.8          | 6.8          | 5.8          | 5.9          | 7.0          | 6.8          | 7.2          | 8.2          | 11.7         |
| Estimated average weekly value                                                 | \$514,839    | \$821,888    | \$610,703    | \$595,964    | \$563,852    | \$416,990    | \$768,091    | \$791,783    | \$822,241    | \$904,862    | \$1,465,725  |
| <b>Offal beef</b>                                                              |              |              |              |              |              |              |              |              |              |              |              |
| Estimated average weekly loads                                                 | 9.3          | 8.2          | 9.6          | 12.2         | 11.1         | 14.7         | 15.1         | 10.9         | 14.3         | 13.7         | 15.1         |
| Estimated average weekly value                                                 | \$1,026,402  | \$1,079,312  | \$1,111,739  | \$1,886,357  | \$1,714,271  | \$1,622,814  | \$1,672,903  | \$1,483,997  | \$1,992,133  | \$2,024,692  | \$3,003,165  |
| <b>Summary of weekly fresh or chilled; frozen and offal beef exports to US</b> |              |              |              |              |              |              |              |              |              |              |              |
| <b>Alberta Total Weekly Beef Exports to the US</b>                             |              |              |              |              |              |              |              |              |              |              |              |
| Total estimated average weekly loads                                           | 167.9        | 127.0        | 131.6        | 147.8        | 156.5        | 179.1        | 182.8        | 196.4        | 216.6        | 211.6        | 238.1        |
| Total estimated average weekly value                                           | \$12,602,792 | \$11,173,251 | \$11,902,863 | \$18,191,580 | \$22,117,498 | \$22,760,303 | \$23,541,816 | \$27,815,665 | \$32,968,257 | \$35,510,677 | \$47,598,523 |

Source: Agri-Food Trade On-Line

## 6. Actions anticipated for next period/day

- Seek updates from stakeholders Monday regarding plans for the upcoming week
- Advocate as needed through GOA contacts for expanded hours and the provision of additional veterinary and inspection services at alternate border crossings
- Remain in contact with the CFIA and other agencies and departments
- The next Situation Report will be **1400, February 16, 2022.**
- Significant updates will be provided by email if necessary before that time.

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